

## **RUBICON ORGANICS ANNOUNCES ADDITIONAL DEBT FINANCING AND GRANT OF STOCK OPTIONS**

### **VANCOUVER,**

**BRITISH COLUMBIA – May 29, 2019** -- Rubicon Organics Inc. (CSE:ROMJ) (OTCQX:ROMJF) (“Rubicon Organics” or the “Company”) announces that it has entered into a subordinated secured loan agreement (the “Loan”) pursuant to which it is entitled to borrow \$5,000,000 from an overseas fund (the “Fund”). Together with other debt financing announced in 2019, Rubicon Organics has secured a total of \$14,355,000 in mortgage debt financing to fund ongoing operations.

“We are very pleased to complete this third tranche of a broader financing package,” said Jesse McConnell, Founder and Chief Executive Officer. “This funding will enable us to build out Rubicon’s Delta facility in order to execute on our business plan of cultivating and developing super-premium, certified organic cannabis products and brands in the Canadian market.”

The Loan is for a term of 24 months and bears interest at a rate of 12% per annum and has no interest or principal payments for 24 months from issuance. In connection with the Loan, the Company issued the Fund one million common share purchase warrants (“Warrants”). Each Warrant entitles the Fund to acquire one common share of the Company (a “Common Share”) at an exercise price of \$4.50 per Common Share until May 28, 2022.

The Loan will be used to facilitate operations at the Company’s state-of-the art 125,000 square-foot licensed facility in Delta, BC and for working capital and other general corporate purposes.

### **Grant of Stock Options**

The Company has granted stock options for a total of 413,250 common shares to employees and consultants of the Company in accordance with the Company's equity incentive plan. The stock options are exercisable at \$3.25 per share for a period of five years from the date of grant.

## **ABOUT RUBICON ORGANICS INC.**

Rubicon Organics Inc. is a Licensed Producer focused on building super-premium organic cannabis brands\* with operations in Canada, Washington and California. Rubicon Organics' flagship Canadian facility is a 125,000 sq. ft. state-of-the-art hybrid greenhouse with industry-leading LED lighting and is located on a 20-acre property in Delta, British Columbia. The Company's Washington facility is a newly constructed 40,000 square-foot high-tech hybrid greenhouse. Rubicon Organics has commenced production in both facilities with a combined Phase I capacity of 15,500 kg per year, including 4,500 kg leased to a Washington State licensed operator applying Rubicon Organics' proprietary organic cultivation methods\*. The Company also owns two award-winning U.S. cannabis brands: 1964 Supply Co.™ in California and Doctor & Crook Co.™ in Washington.

\* Organic certification pending from FVOPA

## **CONTACT INFORMATION**

*Corporate:*

Shirley Anthony

Director, Investor Relations

Phone: +1 (437) 929-1964

Email: [ir@rubiconorganics.com](mailto:ir@rubiconorganics.com)

*Media:*

Megan Cunningham

Gear Communications

Phone: +1 (781) 727-8462

Email: [mcunningham@gearcommunications.com](mailto:mcunningham@gearcommunications.com)

**Cautionary  
Statement Regarding Forward Looking Information**

This press release contains forward-looking information within the meaning of applicable securities laws. All statements that are not historical facts, including without limitation, statements regarding future estimates, plans, programs, forecasts, projections, objectives, assumptions, expectations or beliefs of future performance, statements regarding Rubicon Organics' proposed use of the Loan

proceeds, and the Company's expectation that this third tranche will enable the Company to build out Rubicon's Delta facility in order to execute on the Company's business plan of cultivating and developing super-premium, certified organic cannabis products and brands in the Canadian market are "forward-looking statements". Forward-looking information can be identified by the use of words such as "will" or variations of such word or statements that certain actions, events or results "will" be taken, occur or be achieved.

Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, events or developments to be materially different from any future results, events or developments expressed or implied by such forward looking statements. The forward-looking information in this press release is based upon certain assumptions that management considers reasonable in the circumstances, including that its capital needs will be as currently projected. Risks and uncertainties associated with the forward looking information in this press release include, among others, dependence on obtaining and maintaining regulatory approvals, including acquiring and renewing state, local or other licenses and any inability to obtain all necessary governmental approvals licenses and permits to complete construction of its proposed facilities in a timely manner; engaging in activities which currently are illegal under U.S. federal law and the uncertainty of existing protection from U.S. federal or other prosecution; regulatory or political change such as changes in applicable laws and regulations, including U.S. state-law legalization, particularly in California, due to inconsistent public opinion, perception of the medical-use and adult-use marijuana industry, bureaucratic delays or inefficiencies or any other reasons; any other factors or developments which may hinder market growth; Rubicon Organics' limited operating history and lack of historical profits; reliance on management; and the effect of capital market conditions and other factors on capital availability; competition, including from more established or better financed competitors; and the need to secure and maintain corporate alliances and partnerships, including with customers and suppliers. These factors should be considered carefully and readers are cautioned not to place undue reliance on such forward-looking statements. Although Rubicon Organics has attempted to identify important risk factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other risk factors that cause actions, events or results to differ from those anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in forward-looking statements. Rubicon Organics assumes no obligation to update any forward-looking statement, even if new information becomes available as a result of future events, new information or for any other reason except as

required by law.